

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE BOONE COUNTY WATER AND SEWER)	
DISTRICT'S TARIFF FILING TO UPDATE)	CASE NO. 92-023
ITS CURRENT SEWER TARIFF)	

O R D E R

IT IS ORDERED that Boone County Water and Sewer District ("Boone District") shall file the original and 12 copies of the following information with the Commission within 21 days from the date of this Order with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

1. State whether Boone District interprets the proposed late penalty as authorizing the assessment of penalty charges on unpaid penalty charges.

2. Refer to proposed Boone District Original Sheet No. 2.

a. State whether "service disconnected" refers to sewer service.

b. If yes, identify all costs associated with the disconnection and restoration of sewer service.

c. If "service disconnected" refers to water service, explain why the reconnection fee is mentioned in the proposed tariff.

3. a. State whether Boone District maintains a separate set of records for each sewer facility.

b. If separate records are not maintained, explain how Boone District identifies specific operation and maintenance costs for each sewer facility.

c. Explain how common costs (e.g., labor, administration) are allocated among each sewer facility.

4. a. State the number of residential customers which the Litton facility presently serves.

b. State the number of commercial/industrial customers which the Litton facility serves.

5. a. State when the Litton facility was constructed.

b. State its capacity at time of construction.

c. State when the capacity of the Litton facility was increased and the amount of each capacity addition.

d. State whether a Certificate of Public Convenience and Necessity was obtained for each capacity addition.

(1) If yes, state when a certificate was obtained.

(2) If no, explain why a certificate was not obtained.

6. State the location of the Litton facility.

7. State when the Litton facility began to serve Horizon West Subdivision.

8. a. State the total cost of the Litton facility (including all capacity additions).
- b. Explain how the cost of Litton facility (including capacity additions) was financed.
9. State the amount of Litton facility's present capacity in gallons and percentage of total capacity which is used by:
 - a. Horizon West Subdivision.
 - b. Litton Industrial Park.
10. Explain how Boone District determined the usage amounts for the Litton Industrial Park and Horizon Subdivision.
11. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 4.
 - a. State when Exhibit 4 was prepared.
 - b. State whether the listed expenses are based on actual operations.
 - c. If these expenses are based on actual operations:
 - (1) State the year of operations.
 - (2) Provide documentation (e.g., invoices, vouchers) for these expenses.
 - d. If these expenses are not based on actual operations:
 - (1) Explain why not.
 - (2) List the actual expenses associated with the plant's operation for the 1991 calendar year and provide supporting documentation.
 - e. Explain how Boone District determined Litton Industrial Park's demand capacity to be 25,000 gallons per day.

f. Provide a detailed depreciation schedule.

12. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 5.

a. State when Exhibit 5 was prepared.

b. State whether the listed expenses are based on actual operations.

c. If these expenses are based on actual operations:

(1) State the year of operations.

(2) Document these expenses.

d. If these expenses are not based on actual operations:

(1) Explain why not.

(2) List the actual expenses associated with the plant operation for the 1991 calendar year and document them.

e. State whether the actual expenses include expenses associated with sewer service provided Litton Industrial Park.

13. Refer to Boone District's response to the Commission's Order of February 27, 1992, Item 1(e).

a. Explain how the "combined rate structure" was developed. Identify all factors considered in its development.

b. Identify who developed the "combined rate structure."

c. State whether Boone District, in developing the "combined rate structure," assumed that each residential unit in the Horizon West Subdivision would produce 400 gallons of waste daily.

14. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 6.

a. State when Exhibit 6 was prepared.

b. State whether the listed expenses are based on actual operations.

c. If these expenses are based upon actual operations:

(1) State the year of operations.

(2) Document these expenses.

d. If these expenses are not based upon actual operations:

(1) Explain why not.

(2) Provide the actual expenses associated with the Southeast Commercial Park Subdivision facility for the 1991 calendar year and document these expenses.

e. Provide all calculations and assumptions used to determine predicted utilization.

f. State the amount of waste treated by Southeast Commercial Park Subdivision facility in calendar year 1991.

g. State the number of customers currently served by the Southeast Commercial Park Subdivision facility.

h. Explain why depreciation was excluded from calculations used to derive the facility's monthly rate.

i. Provide a detailed depreciation schedule for Southeast Commercial Park Subdivision facility.

j. Explain the "5th/3rd Bank allocation of funds for sanitary."

k. Explain why rates were based upon usage rather than a flat rate.

15. a. State the current capacity of the Oakbrook Treatment Plant.

b. State the location of the Oakbrook Treatment Plant.

c. State whether the Oakbrook Treatment Plant has been expanded since June 15, 1984.

d. If the Oakbrook Treatment Plant has been expanded since June 15, 1984:

(1) State the date and nature of expansion.

(2) Explain why no Certificate of Public Convenience and Necessity for the expansion was obtained.

e. State the average amount of sewage which the Oakbrook Treatment Plant treats daily.

f. State the amount of additional sewage which the Oakbrook Treatment Plant was required to treat on an average day as a result of the Fox Run Subdivision facility's closure.

16. a. State the actual revenues derived from the Oakbrook Treatment Plant's operations in calendar year 1991.

b. List the expenses incurred in calendar year 1991 (including administration and depreciation) to operate the Oakbrook Treatment Plant and document.

17. a. State the date when the Boone County Courthouse Complex facility was constructed.

b. State the initial capacity of this facility.

c. State whether the capacity of this facility has been expanded since its construction.

d. If its capacity has been expanded, state the date and size of each expansion.

18. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 8A.

a. State the date when Exhibit 8A was prepared.

b. State whether the listed expenses are based on actual operations.

c. If these expenses are based upon actual operations:

(1) State the year of these operations.

(2) Document these expenses.

d. If these expenses are not based upon actual operations:

(1) Explain why not.

(2) Provide the actual expenses associated with the operation of Boone County Courthouse facility for calendar year 1991 and document them.

e. Explain how monthly usage was determined.

f. Explain why depreciation costs were excluded when determining the usage rate.

19. a. State whether Sanitation District No. 1 of Campbell and Kenton Counties ("Sanitation District No. 1") directly bills Boone District customers whose sewage it treats.

b. If Sanitation District No. 1 directly bills these customers, explain why Sanitation District No. 1's rates should be listed in Boone District's tariff.

20. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 10.

a. Explain why a copy of this contract was not previously filed with the Commission.

b. Explain what is meant by the term "BCWASD general user rate" as found at page 3 of the contract.

21. a. Identify and list the expenses associated with the operation of the Kelley School facility for calendar year 1991.

b. State the average daily usage of the Kelley School facility for calendar year 1991.

c. State the capacity of the Kelley School facility for calendar year 1991.

d. Explain how Boone District incurs "considerable additional expense to maintain" the Kelley School facility. Show all calculations used to arrive at that conclusion.

22. a. Identify and list the expenses associated with the Connor School facility for calendar year 1991.

b. State the average daily usage for the Connor School facility for calendar year 1991.

c. State the capacity of the Connor School facility.

d. State total revenue derived from Connor School facility in 1991.

23. a. Identify and list the expenses associated with the New Haven School facility for calendar year 1991.

b. State the average daily usage for the New Haven School facility for calendar year 1991.

c. State the capacity of the New Haven School facility.

d. State total revenue derived from New Haven School facility in 1991.

24. Refer to Boone District's response to the Commission's Order of February 27, 1992, Exhibit 9. Describe the actions taken by Boone District to implement the Black and Veatch Report's recommendations related to Boone District's sewage collection and treatment facilities.

25. Explain why the following facilities are omitted from Boone District's proposed tariff:

- a. Cedarwood Village Subdivision
- b. Mineola/Sanitation District No. 1 Outfall
- c. Richwood Outfall
- d. Strawberry Hill Subdivision
- e. Treetop Subdivision

26. a. List and document the expenses (including depreciation and administration) associated with the South East system for calendar year 1991.

b. State the total revenue (excluding capacity fees) collected from the operation of the South East System in calendar year 1991.

c. State the total amount of sewage transported by South East System in calendar year 1991.

d. State the present number of customers served by the South East System.

Done at Frankfort, Kentucky, this 22nd day of April, 1992.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Director, Acting


For the Commission